

| | |
|------------------------|--|
| NO. OF COPIES RECEIVED | |
| DISTRIBUTION | |
| SANTA FE | |
| FILE | |
| U.S.G.S. | |
| LAND OFFICE | |
| OPERATOR | |

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-85

5A. Indicate Type of Lease
STATE ☒ FEE ☐

5. State Oil & Gas Lease No.
IG-865

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|--|--|--|
| 1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | 7. Unit Agreement Name |
| b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | 8. Farm or Lease Name Mescalero "PW" St. |
| 2. Name of Operator Yates Petroleum Corporation | | 9. Well No. 1 |
| 3. Address of Operator 207 S. 4th Street, Artesia, NM 88210 | | 10. Field and Pool, or Wildcat Mescalero San Andres |
| 4. Location of Well UNIT LETTER K LOCATED 2310' FEET FROM THE South LINE AND 2310' FEET FROM THE West LINE OF SEC. 27 TWP. 10S RGE. 32E NMPM | | 11. Undesignated |
| 19. Proposed Depth 4300' | | 19A. Formation San Andres |
| 20. Rotary or C.T. Rotary | | |
| 21. Elevations (Show whether DF, RT, etc.) 4328.4 GR | 21A. Kind & Status Plug. Bond Blanket | 21B. Drilling Contractor L+M DRILLING |
| 22. Approx. Date Work will start ASAP | | |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 12 1/4" | 8 5/8" | 48# | 1750' | 700 sx. | |
| 7 7/8" | 4 1/2" | 9.5# | TD | 300 sx. | |

We propose to drill and test the San Andres and intermediate formations. Will set around 1750' of 8 5/8" casing and circulate. If commercial will run 4 1/2" production casing and cement with adequate cover. Perforate and stimulate as needed for production.

MUD PROGRAM: Native mud to 1750'; Brine to 4000', Brine mud to TD.

BOP PROGRAM: BOP will be installed at 1750' and tested daily.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 10/21/81
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Glenn Redman Title Geographer Date 3/30/81

(This space for State Use)

SUPERVISOR DISTRICT

APR 2 1981

APPROVED BY [Signature] TITLE Geographer DATE 3/30/81

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

| | | | | | |
|--|----------------------|-----------------------|------------------------------------|----------------------|----------------------|
| Operator YATES PETROLEUM CORPORATION | | | Lease MESCALERO "PW" ST. | | Well No. 1 |
| Unit Letter K | Section 27 | Township 10 | Range 32 | County LEA | |

Actual Footage Location of Well:

2310' feet from the **SOUTH** line and **2310'** feet from the **WEST** line

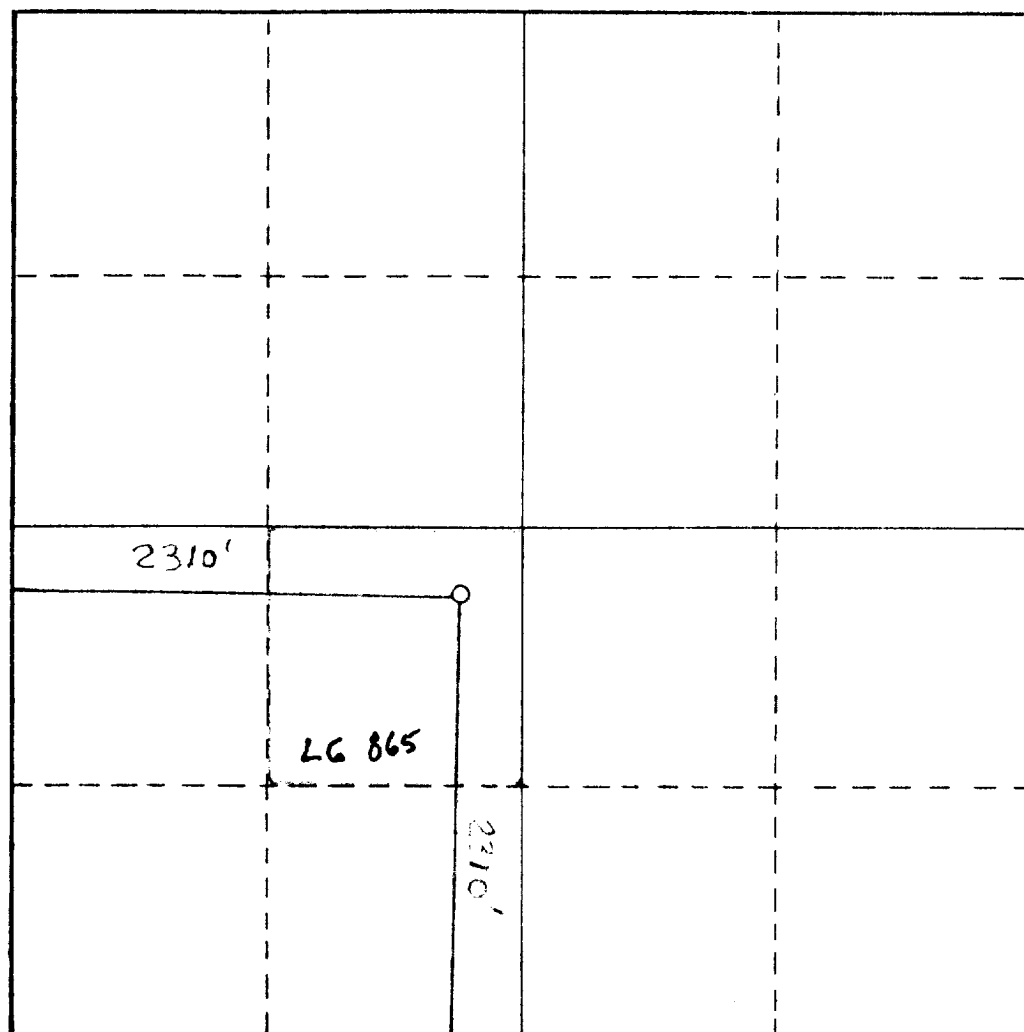
| | | | |
|-------------------------------------|--|-----------------------------|---------------------------------------|
| Ground Level Elev. 4328.4 | Producing Formation SAN ANDRES | Pool MESCALERO SA | Dedicated Acreage: 40 Acres |
|-------------------------------------|--|-----------------------------|---------------------------------------|

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Gliserio Rodriguez
Name

GLISERIO RODRIGUEZ
Position

GEOGRAPHER
Company

YATES PETROLEUM CORP
Date

3-30-81

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Feb 6, 1981

Registered Professional Engineer
and/or Land Surveyor

Herschel Jones
Certificate No.

HERSCHEL JONES
REGISTERED LAND SURVEYOR

10

11

12

13

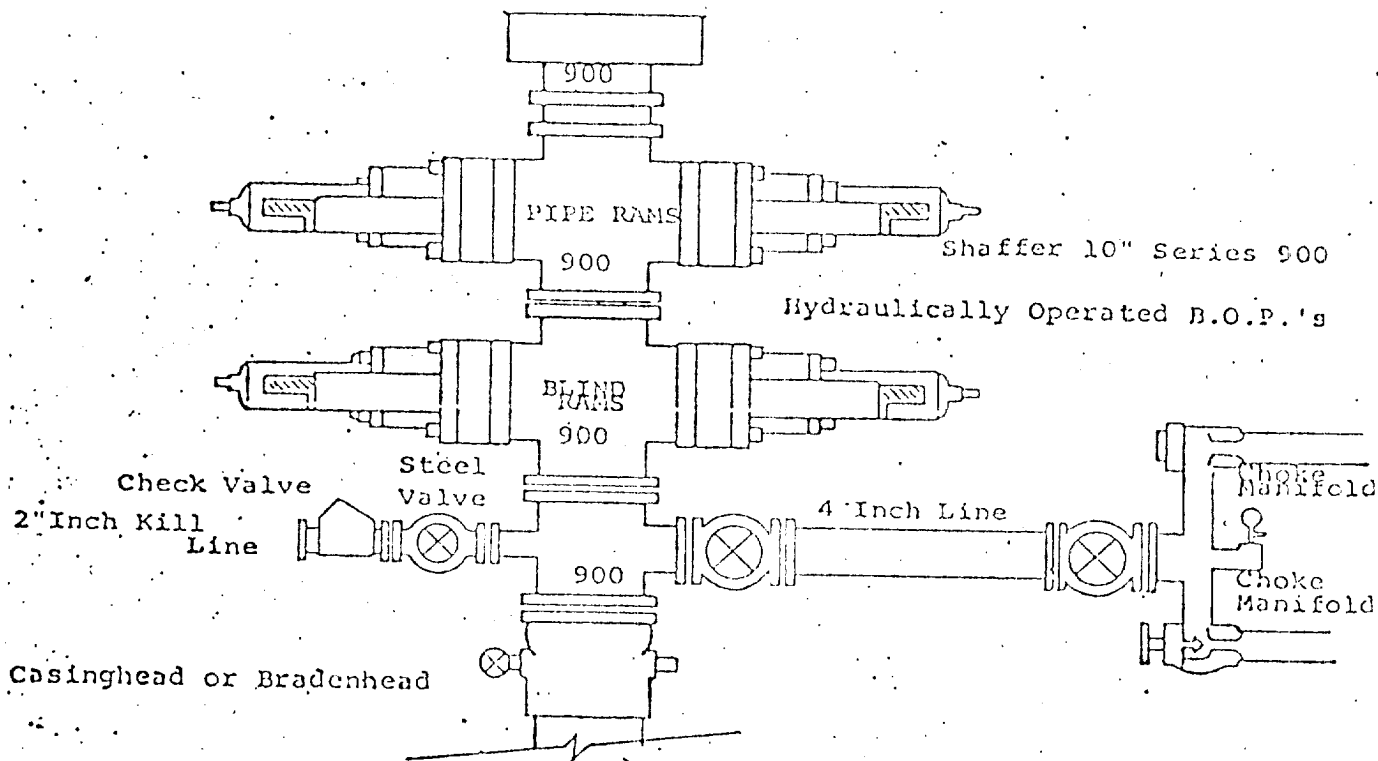
14

RECEIVED

APR 2 1981

15

Exhibit B



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

RECEIVED

APR 2 1981

U. S. CONSERVATION

